



Increasing Impact, Enhancing Value

A Practitioner's Guide to Leading Corporate Philanthropy

Executive Summary

Leaders of corporate foundations and giving programs have an opportunity to redefine the role of corporate philanthropy. By taking the initiative to align and engage their efforts more closely with the business, these leaders can help unleash new resources and ideas that can greatly enhance the company's positive impact on society. At the same time, this alignment can create new value for the company and increase its competitive advantage.

Research on the state of corporate philanthropy and interviews with practitioners from the field found the following:

- **Communications and knowledge sharing must improve.**
- **Pressure to align corporate philanthropy with the business is increasing.**
- **Approaches to giving vary broadly.**
- **Integration with the business can present significant challenges.**
- **Corporate structure matters.**
- **Measurement and return on investment remain critical challenges.**
- **Business acumen is essential.**
- **Collaboration for collective impact is important.**
- **Globalization presents new challenges.**
- **The field is ready to move forward.**

By embracing the following agenda, leaders of corporate foundations and giving programs can advance the practice and profession of corporate philanthropy. The agenda has five elements:

1. Create a new narrative for corporate philanthropy as an investment in society.

WHERE WE ARE: Most companies still perceive their philanthropy as charity. They do not focus on the actual results of their philanthropy or how it has affected the company's interests.

WHERE WE NEED TO BE: Companies view their philanthropy as contributors to breakthrough collaborations and innovations that address complex social challenges.

2. Develop an inclusive “operating system” for philanthropic investment.

WHERE WE ARE: Most corporate philanthropy models use charitable contributions as the singular investment tool.

WHERE WE NEED TO BE: An “investment portfolio” model aligns giving and rallies corporate assets to benefit society and drive business success.

3. Professionalize the field.

WHERE WE ARE: The practice of corporate philanthropy focuses primarily on managing contributions.

WHERE WE NEED TO BE: Corporate philanthropy is an essential, integrated business leadership function and is considered a professional field.

4. Improve collaboration, communication, and knowledge sharing.

WHERE WE ARE: Practitioners are neither effectively communicating the value and impact of corporate philanthropy to the public nor successfully collaborating or sharing knowledge within the field.

WHERE WE NEED TO BE: The corporate philanthropy field enhances its external leverage through a powerful platform for communication and collaboration.

5. Mobilize “field level” leadership behind this agenda.

WHERE WE ARE: The corporate philanthropy field lacks a unifying mechanism to address the need for leadership and change.

WHERE WE NEED TO BE: With individual leaders at its nucleus, the corporate philanthropy field commits to increasing impact, enhancing value, and supporting transformation.

WHAT YOU CAN DO:

- Reflect and consider which model for philanthropy as a value-added investment in society is appropriate and what that means for you and your company.
- Discuss this guide with your peers in other companies and with regional grantmaker associations.
- Engage others in your company in a discussion on the guide’s questions and themes.
- Identify the additional resources and organizations you need to drive this agenda for change.
- Bring this agenda to the leadership and field-service organizations in which you participate and share the results with us.
- Share your story and share learning when you are among your industry, geographic, and regional association networks.
- Consider mentoring at least one other company on its journey and join with us in exploring the best way forward.
- Collaborate with your peers to help the field prioritize key issues we can work on together to advance the field.

Today, the social contract that ensures our economic and social well-being is under duress. As governments struggle under the impact of globalization and financial austerity, society now looks to business to take much greater responsibility in finding solutions to our immense challenges. This is a new role—one that many businesses are just beginning to learn to manage.

Visionary leaders in our field have proved that when corporate philanthropy is managed as an investment in society it can become a powerful catalytic force for change. An enormous opportunity exists for corporate philanthropy leaders to step up to this challenge. In so doing, we will give new life and purpose to corporate philanthropy and increase its value to society and business.